

Malignant Cancer – the No. 1 Cause of Claims



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During 2015
Irish Life paid out
€604,377 every
working day under
individual death and
specified illness cover plans



A comprehensive analysis of protection claims paid in 2015 by Irish Life has shown that malignant cancer is the single biggest cause of claims paid under life and specified illness cover plans.

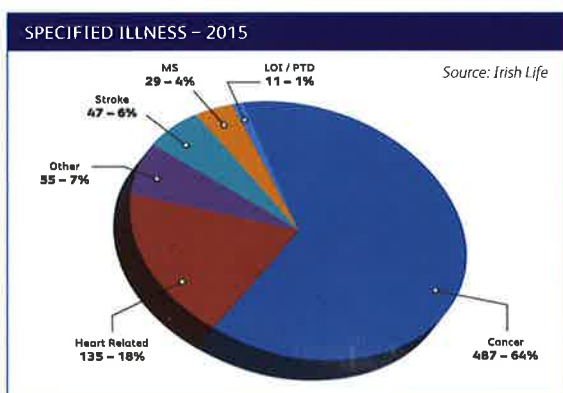
On average during 2015 Irish Life paid out **€604,377 every working day** under individual death and specified illness cover plans.

SUMMARY OF IRISH LIFE CLAIMS 2015

	Death Claims	Specified Illness
Number of claims paid	1,551	764
Amount paid	€103.1m	€48m
Average adult claim amount	€66,462	€62,913
Average age of claimant	63	52
Average duration in force	16 years	12 years
Adult claims – male/female split	65%/35%	58%/42%
Partial payment SIC claims	n/a	9
Number of child claims – up to age 21 'Free benefit'	48	19

Specified Illness Cover

Under specified illness insurance, the biggest cause of claim continues to be malignant cancer (64%), followed by heart related (18%), stroke (6%), and multiple sclerosis (4%).



SPECIFIED ILLNESS CLAIMS – CANCER [Source: Irish Life]

TOP 5 TYPES	NUMBER OF CLAIMS PAID
Breast	120
Prostate	78
Lung	26
Colon	26
Kidney	19

Unfortunately we do regularly see specified illness claims for malignant cancer, even on plans only in force a relatively short time. For example, we paid a claim for €100,000 to a female in her 40s for a malignant cancer – Non-Hodgkin Lymphoma – but the plan had only been in

force less than a year.

We paid 95.5% of malignant cancer specified illness claims over the period 2010 to 2014, a very satisfactory customer experience outcome. Of further note is the fact that during 2015, Irish Life paid 72% of our specified illness cover claims within four weeks of receiving the claim form.

Life cover

Overall on the death claim side, over 40% of our claims during 2015 were caused by a malignant cancer. However for male lives aged 49 or younger the biggest causes of death are accidents, followed by cancer and then heart related conditions.

Some genuinely sudden deaths do occur very shortly after a plan has been started even for malignant cancer. For example, we paid a claim on a plan that was under 12 months in force, in respect of a woman in her early 30s who died as a result of a malignant breast cancer. This was a sudden and unexpected terminal diagnosis. The amount paid was over €200,000.

Irish Life paid 31 terminal illness claims under life assurance plans during 2015, with the average claim amount being €82,561 and with an average plan duration of 9 years. Of the 31 claims, 30 were as a result of a malignant cancer. With regard to income protection, 14% of claims paid during 2015 were in respect of malignant cancers.

We paid over 98% of all death claims and 90% of specified illness claims that we received during 2015. However one of the noteworthy reasons why a protection claim is not paid is where there has been a major failure to disclose key material facts on the application for cover, which could also include answers to the smoking related questions. Clearly smoking tobacco is a significant risk factor for the development of malignant cancer. As appropriate, be very careful when asking customers about their smoking habits, including use of e-cigarettes or use of nicotine replacement products.

We are all aware that as society gets older, and continues to smoke tobacco and to be obese, then the numbers of malignant cancers will increase into the future. We also have good screening programmes in Ireland for some of the commonest forms of cancer: breast, cervical, colo-rectal and prostate cancer. These will also drive up early diagnosis of malignant cancers.

While a lot is talked about various aspects of malignant cancer, what is not as well talked about are the financial effects that such a diagnosis has on a person or their family.

The Irish Cancer Society 2015 booklet *The Real Cost of Cancer* www.irishcancer.ie/realcost looks at the financial impacts and the extra costs associated with a cancer diagnosis. A third of working individuals have to give up work, at least temporarily. To quote from the report "For those working the associated loss in income can be as high as €1400 per month on average".

In conclusion I believe that knowledge of Irish Life protection claims paid during 2015, and our 2016 claims flyers, will greatly support the Financial Broker's advice to customers.

Irish Life Assurance plc is regulated by the Central Bank of Ireland.